

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of)

PUBLIC UTILITIES COMMISSION)

Instituting a Proceeding to Investigate the)
Issues and Requirements Raised by, and)
Contained in, Hawaii Revised)
Statutes 486H, as amended.)
_____)

Docket No. 05-0002

PUBLIC UTILITIES
COMMISSION

2006 JAN -6 P 1:11

FILED

MID PAC PETROLEUM, LLC'S SUBMISSION IN
RESPONSE TO ORDER NO. 22056

and

CERTIFICATE OF SERVICE

George T. Aoki
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Honolulu, HI 96813
Telephone: 535-5912
Attorney for Mid Pac Petroleum, LLC

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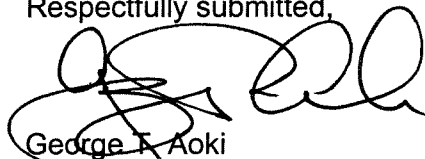
MID PAC PETROLEUM, LLC'S SUBMISSION IN RESPONSE TO ORDER NO. 22056

In response to the Commission's letter dated December 22, 2005, Mid Pac Petroleum, LLC ("MPPL"), one of the members of the Hawaii Petroleum Marketers Association, hereby submits its response to PUR-IR-45 to PUC-IR-50.

As the information being provided consists of proprietary and confidential pricing and marketing information, which will cause MPPL irreparable harm if released, it is being submitted under seal pursuant to Order No. 21669 in the attached sealed envelopes.

DATED: Honolulu, Hawaii, January 6, 2006.

Respectfully submitted,



George F. Aoki
Attorney for Mid Pac Petroleum, LLC

**Docket No. 05-0002
Mid Pac Petroleum, LLC's
Responses to Information Requests**

PUC-IR-45

The Commission appreciates the input from the Parties that the supply lines for imported ethanol are tenuous. For this reason, the costs associated with insuring a more reliable supply chain are important to reflect, and the status of establishing the supply lines and infrastructure is critical to understand. With the lead times necessary to finalize capital and expense related work for ethanol, and to secure ethanol in the imported market, as well as transportation and re-distribution to neighbor islands, we understand that each Party should have specific actions underway to meet this critical date.

Consequently, please identify in a timeline format (either MS Project or Excel), the specific operation plans that you are undertaking to meet the April 2006 mandate. These plans should reflect the timing of completion and testing of terminal and service station facilities in each zone, initial fill dates for ethanol and RBOB gasoline production, initial ethanol cargo load and delivery dates (for ethanol importing Parties), and any other critical actions related to the ethanol mandate.

RESPONSE:

See Confidential Attachment PUC-IR-45, filled under and subject to Order No 21669. As the response to this information request consists of proprietary and confidential pricing and marketing information, which will cause MPPL irreparable harm if released, it has been redacted and along with Confidential Attachment PUC-IR-45 will be filed under separate cover, subject to Order No 21669.

**Docket No. 05-0002
Mid Pac Petroleum, LLC's
Responses to Information Requests**

PUC-IR-46

Please identify target inventory volume levels and days supply for neat ethanol if you are an ethanol importer or have or will have ownership of ethanol in the State. Please identify any change in target inventory levels for gasoline post-ethanol after April 2006 (i.e., RBOB plus neat ethanol total volume in days supply) versus current inventory target levels.

RESPONSE:

As the response to this information request consists of proprietary and confidential pricing and marketing information, which will cause MPPL irreparable harm if released, it has been redacted and will be filed under separate cover, subject to Order No 21669.

**Docket No. 05-0002
Mid Pac Petroleum, LLC's
Responses to Information Requests**

PUC-IR-47

For Parties who may be importing ethanol, please provide the following information on your ethanol acquisition plans:

- a) Are you developing term ethanol supply arrangement or utilizing spot ethanol purchases?**
- b) If term, please identify the ethanol cost basis (if not finalized, please discuss the potential arrangement and pricing basis)**
- c) Please identify the expected method of delivery of the ethanol, freight contracting arrangements (term or spot), and the potential cost for transporting the ethanol. If terms are not finalized, please discuss the potential arrangement and cost basis.**

RESPONSE:

As the response to this information request consists of proprietary and confidential pricing and marketing information, which will cause MPPL irreparable harm if released, it has been redacted and will be filed under separate cover, subject to Order No 21669.

**Docket No. 05-0002
Mid Pac Petroleum, LLC's
Responses to Information Requests**

PUC-IR-48

Please provide the specific capital and expense costs being incurred to prepare for the implementation of the ethanol mandate, overall and on a zone-by-zone and terminal basis. Please provide your current best estimate of costs on both a total and a cents per gallon ("cpg") basis. The cpg cost figures should be total ethanol mandate-related cost divided by total terminal gasoline volume throughput (RBOB plus ethanol) over a 12 month period. Any volume being throughput for third parties at the terminal should be included in the cpg cost.

RESPONSE:

See Confidential Attachment PUC-IR-48, filed under and subject to Order No 21669. As the response to this information request consists of proprietary and confidential pricing and marketing information, which will cause MPPL irreparable harm if released, it has been redacted and along with Confidential Attachment PUC-IR-45 will be filed under separate cover, subject to Order No 21669.

**Docket No. 05-0002
Mid Pac Petroleum, LLC's
Responses to Information Requests**

PUC-IR-49

For applicable Parties, please provide the specific incremental barging operational costs expected to be incurred to meet the ethanol mandate. The barging costs provided in IRs in 2004 should be used as a basis, adjusted to any new barge contract terms. These should be identified and compared, on cpg basis, to the costs to transport the RBOB and neat ethanol to the same locations.

RESPONSE:

As the response to this information request consists of proprietary and confidential pricing and marketing information, which will cause MPPL irreparable harm if released, it has been redacted and will be filed under separate cover, subject to Order No 21669.

**Docket No. 05-0002
Mid Pac Petroleum, LLC's
Responses to Information Requests**

PUC-IR-50

Please identify the typical capital amortization period used to recover capital costs for investments in terminal modifications in Hawaii and other mainland locations.

RESPONSE:

As the response to this information request consists of proprietary and confidential pricing and marketing information, which will cause MPPL irreparable harm if released, it has been redacted and will be filed under separate cover, subject to Order No 21669.

CERTIFICATE OF SERVICE

I hereby certify that on January 6, 2006, I served copies of the foregoing, together with this Certificate of Service, either by United States mail, postage prepaid, or by hand-delivery to the following:

Jon S. Itomura, Esq.
Counsel for Division of Consumer Advocacy
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809

With attached sealed envelope

Michael H. Lau, Esq.
Kent D. Morihara, Esq.
Ishikawa, Morihara, Lau & Fong LLP
Counsel for Chevron USA
841 Bishop St., Suite 400
Honolulu Hawaii 96813

Without attached sealed envelope

Craig I. Nakanishi, Esq.
Rush Moore LLP
Counsel for Tesoro Hawaii Corporation
737 Bishop Street, Suite 2400
Honolulu, Hawaii 96813

Without attached sealed envelope

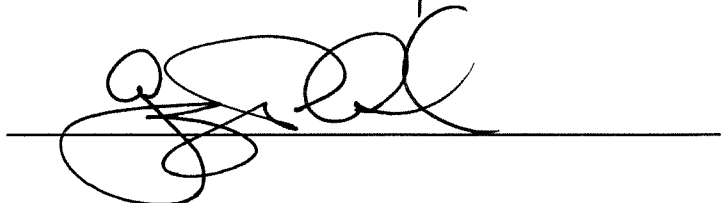
Clifford K. Higa, Esq.
Bruce Nakamura, Esq.
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Without attached sealed envelope

Kelly G. LaPorte
Marc E. Rousseau
Neill T. Tseng
CADES SCHUTTE A limited liability law partnership
1000 Bishop Street, Ste. 1000
Honolulu, Hawaii 96813

Without attached sealed envelope

DATED: Honolulu, Hawaii, January 6, 2006.

A handwritten signature in black ink, appearing to be "J. Itomura", is written over a horizontal line.